

RECURRING COST

Queueing For Use With Uniform Call Distribution

- Per queue slot in a group

A.	Total Unit Investment	\$ 723.94
B.	Capital Related Costs	
	Depreciation	\$ 44.77
	Cost of Money	\$ 42.60
	Income Tax	\$ 18.15
C.	Operating Expenses	
	Maintenance	\$ 33.69
	Ad Valorem Taxes	\$ 10.06
	Administrative Expenses	\$ 10.31
	Business Fees	\$ 1.23
D.	Total Annual Direct Unit Cost (B + C)	\$ 160.81
E.	Total Monthly Direct Unit Cost (D/12)	\$ 13.40

RECURRING COST

Queueing For Use With Uniform Call Distribution

- Delay Announcement - Standardized Announcement
Per Announcement

A.	Total Unit Investment	\$	175.00
B.	Capital Related Costs		
	Depreciation	\$	10.82
	Cost of Money	\$	10.30
	Income Tax	\$	4.39
C.	Operating Expenses		
	Maintenance	\$	8.14
	Ad Valorem Taxes	\$	2.43
	Administrative Expenses	\$	2.49
	Business Fees	\$	0.30
D.	Total Annual Direct Unit Cost (B + C)	\$	38.87
E.	Total Monthly Direct Unit Cost (D/12)	\$	3.24

RECURRING COST

Queueing For Use With Uniform Call Distribution

- Delay Announcement, Per queue slot in a group

A.	Total Unit Investment	\$	0.00
B.	Capital Related Costs		
	Depreciation	\$	0.00
	Cost of Money	\$	0.00
	Income Tax	\$	0.00
C.	Operating Expenses		
	Maintenance	\$	0.00
	Ad Valorem Taxes	\$	0.00
	Administrative Expenses	\$	0.00
	Business Fees	\$	0.00
D.	Total Annual Direct Unit Cost (B + C)	\$	0.00
E.	Total Monthly Direct Unit Cost (D/12)	\$	0.00

APPENDIX D

OVERHEAD LOADING COMPUTATION¹

U S WEST's recurring overhead loading factor (fully distributed cost factor) is calculated by dividing the revenue requirement by direct costs. This factor is calculated at the Part 69 category level to include Interexchange, Special Access, Local Transport, Local Switching and Directory Assistance. This factor is different for each of the Part 69 categories noted above, reflecting the different revenue requirements and direct cost data for each.

The numerator in the factor is the revenue requirement. This figure is calculated from 1990 expense/other tax, investment (rate base) and Federal Income Tax ("FIT") adjustments. This data is used to calculate the revenue requirement by Part 69 category, reflecting an 11.25% rate of return. The source for this information is the 1990 data included in the final 1989/1990 Form 492, which was filed with the Commission on September 30, 1991.

The 1990 ARMIS 43-01 report was not restated to include adjustments occurring between April 1 and September 30, 1991. If this report were restated, the equivalent ARMIS lines used to develop the revenue requirements would be as follows:

Expense/Other Tax - Lines 1190 + 1390 + 1490
Average Net Investment - Line 1910
FIT Adjustments - Line 1510 - 1520 - 1530
Amortized Investment Tax Credit - Line 1540

¹This same information was provided in U S WEST's Transmittal No. 228, filed February 10, 1992, in support of U S WEST's ONA tariffs.

The following figures were used in the calculation to derive the numerator of the overhead loading factor:

Expense/Other Tax	\$245,939,773
Average Net Investment	\$535,299,555
FIT Adjustments	\$ 12,367,859
Amortized Investment Tax Credit	\$ 6,162,696
Total Local Switching Revenue Requirement	\$321,475,276

The denominator in the factor is the sum of the 1991 direct unit costs for each rate element within the Local Switching service category, multiplied by the 1990 demand for each rate element. The demand coincides with the 1991 Annual Access Tariff filing support documentation as modified in Transmittal No. 181, filed August 15, 1991. (See U S WEST's Transmittal No. 206, Description and Justification, Section 3, p. 3-1.) Following is a list of the Local Switching rate elements, demand, 1991 direct costs and the sum of the rate elements. This sum represents the denominator in the overhead loading factor.

<u>Rate Element</u>	<u>1990 Demand</u>	<u>1991 Direct Cost</u>	<u>Total Direct Cost</u>
LS2 Premium	26,827,247,962	\$.004040	\$108,382,082
LS1 Premium	5,746,932,388	\$.004040	\$ 23,217,607
LS Transitional	727,881,013	\$.004040	\$ 2,940,639
800 NXX CIC	1,570,313,076	\$.000011	\$ 16,873
900 NXX CIC	17,134,999	\$.000011	\$ 184
900 NXX NRC First	1,397	\$ 88.40	\$ 123,500
900 NXX NRC Add	4,862	\$ 17.14	\$ 83,344
First Answ Supr 2W Rec	0	\$ 19.31	\$ 0
Addl Answ Supr 2W Rec	0	\$ 19.31	\$ 0
First Answ Supr 4W Rec	0	\$ 40.77	\$ 0
Addl Answ Supr 4W Rec	0	\$ 40.77	\$ 0
First Answ Supr 2W NRC	0	\$ 175.87	\$ 0
Addl Answ Supr 2W NRC	0	\$ 89.67	\$ 0
First Answ Supr 4W NRC	0	\$ 175.87	\$ 0
Addl Answ Supr 4W NRC	0	\$ 89.67	\$ 0
SwitchNet 56	413,897	\$.020763	\$ 8,594
Total Local Switching			\$134,772,823

The following calculation to derive the overhead loading factor was provided in U S WEST's Transmittal No. 206, D&J, Section 4, Workpaper 1, p. 2 of 2:

(A)	(B)	(C)	(D)
<u>Part 69 Category</u>	<u>Total 1990 Expense</u>	<u>Total 1991 Direct Costs</u>	<u>Factor (B/C)</u>
Local Switching	\$321,475,276	\$134,772,823	2.3853

CERTIFICATE OF SERVICE

I, Noelle K. Dormio, do hereby certify on this 18th day of May, 1992, that I have caused a copy of the foregoing **DIRECT CASE** to be hand served on the persons named on the attached service list.



Noelle K. Dormio

Cheryl Tritt, Chief
Common Carrier Bureau
Federal Communications
Commission
1919 M Street, N.W.
Room 500
Washington, D.C. 20554

Steve Spaeth
Tariff Division
Federal Communications
Commission
1919 M Street, N.W.
Room 518
Washington, D.C. 20554

Gregory J. Vogt, Chief
Tariff Division
Federal Communications
Commission
1919 M Street, N.W.
Room 518
Washington, D.C. 20554

Downtown Copy Center
Federal Communications
Commission
1919 M Street, N.W.
Room 246
Washington, D.C. 20554

Colleen Boothby, Deputy Chief
Tariff Division
Federal Communications
Commission
1919 M Street, N.W.
Room 518
Washington, D.C. 20554

Judy Nitsche, Chief
Tariff Review Branch
Federal Communications
Commission
1919 M Street, N.W.
Room 518
Washington, D.C. 20554

Ann Stevens, Chief
Tariff Division Legal Branch
Federal Communications
Commission
1919 M Street, N.W.
Room 518
Washington, D.C. 20554